

## Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10  
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 USIA-06  
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P R 102200Z MAR 78  
FM AMEMBASSY QUITO  
TO SECSTATE WASHDC PRIORITY 7575  
INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L SECTION 1 OF 2 QUITO 1524

E.O. 11652: GDS  
TAGS: PINT, SHUM, EC  
SUBJECT: PRESIDENTIAL CAMPAIGN: LIBERALS, CFP STRAIGHTEN OUT  
TICKET

1. BEGIN SUMMARY: INTENSIVE NEGOTIATIONS AND DELIBERATIONS  
AIMED AT BRINGING ABOUT A LIBERAL-BUCARAMISTA-POPULAR  
DEMOCRAT ELECTORAL COALITION HEADED BY LIBERAL ELDER RAUL  
CLEMENTE HUERTA RENDON FOUNDERED AND COLLAPSED AT THE LAST  
MINUTE. AS A RESULT FRANCISCO HUERTA MONTALVO WAS RATIFIED  
AS THE LIBERAL CANDIDATE AND JAIME ROLDOS AND OSVALDO HURTADO  
WERE INDICATED AS RUNNING MATES ON A CFP-POPULAR DEMOCRAT  
TICKET. END SUMMARY.

2. A MOVE TO REPLACE FRANCISCO (PANCHO) HUERTA MONTALVO AS  
RADICAL LIBERAL PARTY CANDIDATE WITH HIS UNCLE, PARTY ELDER  
RAUL CLEMENTE HUERTA RENDON WAS REJECTED MARCH 9 AFTER TWO  
DAYS OF INTENSIVE DELIBERATIONS AND CONSULTATIONS WITHIN AND  
WITHOUT THE PARTY. THE DENOUEMENT ENDED HOPES FOR AN  
ELECTORALLY PROMISING COALITION OF LIBERALS, ASSAD BUCARAM'S  
CONCENTRATION OF POPULAR FORCES (CFP), AND POPULAR  
DEMOCRACY (CHRISTIAN DEMOCRATS AND PROGRESSIVE CONSER-  
VATIVES).

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3. THE EXERCISE HAD BEGUN SOME TWO WEEKS BEFORE WITH THE  
EMERGENCE OF BACKBITING AND DISCONTENT IN LIBERAL RANKS OVER THE  
CANDIDACY OF PANCHO HUERTA, WHO DESPITE BEING A MAJOR  
ACTOR ON THE POLITICAL SCENE FOR OVER A DOZEN YEARS, WAS  
STILL REGARDED BY MANY AT 38 YEARS OLD, AS TOO YOUNG.  
ALTHOUGH HIS UNCLE HAD PREVIOUSLY TURNED DOWN THE NOMIN-  
ATION BECAUSE OF HIS RELUCTANCE TO FACE AN ARDUOUS

CAMPAIGN AGAINST BUCARAM, BUCARAM'S EXCLUSION HAD MADE HIM RECONSIDER. GUAYAQUIL BANKING CIRCLES LED BY MARCELO LANIADO OF BANCO DEL PACIFICO, UNCERTAIN OF PANCHO'S "DEPENDABILITY", THEREUPON LAUNCHED A MEDIA AND BEHIND THE SCENES CAMPAIGN TO EFFECT THE CHANGE IN CANDIDATES. STILL RELUCTANT TO BUCK BUCARAM, HUERTA RENDON ENTERED INTO DIRECT CONVERSATIONS WITH BUCARAM WHICH CULMINATED IN A HANDSHAKE ON THE EVENING OF MARCH 7. FEELING THAT HE HAD A DEAL WITH THE CFP IN HIS POCKET WHICH WOULD MAKE HIM THE PRESIDENTIAL FRONT-RUNNER, HUERTA RENDON HELD A MIDDAY PRESS CONFERENCE ON MARCH 8 IN WHICH HE ANNOUNCED HIS AVAILABILITY AS THE CANDIDATE OF A BROAD CENTER-LEFT COALITION ON THE CONDITION THAT THE PARTY'S SUPREME COUNCIL WOULD APPROVE. SINCE PANCHO HAD CHOSEN NOT TO CHALLENGE HIS UNCLE AND REMAINED ENTIRELY ALOOF FROM THE SUPREME COUNCIL DELIBERATIONS, IT WAS SUPPOSED AT THIS POINT THAT THE PACT WOULD GO THROUGH.

4. HOWEVER, THE NEGOTIATING COMMITTEE DISPATCHED BY THE PARTY TO BUCARAM DISCOVERED ON THE MORNING OF MARCH 8 THE EXTENT OF THE CFP'S NON-NEGOTIABLE CONDITIONS. THEY INCLUDED THE SUPPORT FOR THE CFP CANDIDATES FOR MAYOR AND PREFECT OF THE THREE MAJOR POPULATION CENTERS, SELECTION OF POPULAR DEMOCRAT OSVALDO HURTADO AS HUERTA RENDON'S RUNNING MATE, SUPPORT FOR BUCARAM AS PRESIDENT OF CONGRESS, AND THE EXCLUSION OF PANCHO HUERTA

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AND EX-LIBERAL NATIONAL DIRECTOR PEDRO JOSE ARTETA FROM LIBERAL DIRECTORATES AND FROM CAMPAIGNING IN THEIR BAILIWICKS OF GUAYS AND PICHINCHA. THE LAST CONDITION WAS ESPECIALLY TROUBLESOME TO THE SUPREME COUNCIL. LUNCHING WITH POLCOUNS IN GUAYAQUIL WHILE THE SUPREME COUNCIL WAS DELIBERATING, PANCHO HAD FULLY EXPECTED TO BE RELIEVED WHEN HE RECEIVED A TELEPHONE MESSAGE FROM THE COUNCIL INDICATING THAT IT HAD DEADLOCKED ON THE ISSUE. AFTER LABORIOUSLY EXAMING HIS OPTIONS, PANCHO DEPARTED AND WENT TO THE SUPREME COUNCIL MEETING WHERE HE PRESENTED HIS WRITTEN RESIGNATION. AT THE SAME TIME, HE EXPRESSED HIS PERSONAL OPINION THAT THE CFP'S CONDITIONS, PARTICULARLY THOSE RELATING TO LIBERAL PARTY FUNCTIONS, OUGHT NOT TO BE ACCEPTED.

5. THE PARTY DIRECTORATE ESTABLISHED A CONSENSUS AROUND PANCHO'S POINT AND DECIDED TO REJECT THE CONNECTION WITH THE CFP UNLESS BUCARAM WAS WILLING TO NEGOTIATE MORE. IF HE WAS NOT, THE SUPREME COUNCIL WOULD OFFER HUERTA RENDON THE CANDIDACY OF THE SINGLE PARTY. IN THE EVENT, HUERTA RENDON, EVIDENTLY NOT WILLING TO MAKE THE FIGHT AGAINST THE BUCARAM FORCES, DECLINED AND PANCHO WAS

RATIFIED AS THE LIBERAL CANDIDATE.

6. IN THE MIDST OF THESE DISCUSSIONS, POLCOUNS SPOKE AT LENGTH WITH JAIME ROLDOS OF THE CFP. EXPLAINING THE REASONS WHY THE CFP WAS CONSIDERING THE COALITION WITH ITS QUONDAM BITTER RIVAL, HE SAID THAT A WINNING COALITION WOULD PREVENT A STATUS QUO GOVERNMENT FROM TAKING POWER AND WOULD PROBABLY ASSURE DEMOCRATIC STABILITY FOR 10 YEARS. REFORM IN ECUADOR, HE SATED, WOULD BE SLOW, DELIBERATE PROCESS IN ANY CASE, BUT THE IMPORTANT THING WOULD BE TO PREVENT FURTHER MILITARY INTERVENTIONS. HE ADMITTED THAT THE CFP HAD CONSIDERED DIRECT ACTION WHICH WOULD HAVE PARALYZED GUAYAQUIL AND PERHAPS HAVE PRECIPITATED A PROLONGATION OF MILITARY  
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GOVERNMENT. IT WAS BELIEVED THAT THIS IN TURN WOULD HAVE STIMULATED A STRONG RESISTANCE MOVEMENT WHICH MIGHT EVENTUALLY HAVE BROUGHT BUCARAM TO POWER. THIS HAD BEEN REJECTED AS TOO RISKY. IT WAS DECIDED, THEN, TO TRY FOR THE COALITION, AND IF THAT FAILED TO LAUNCH HIM (ROLDOS) AS THE CFP CANDIDATE IN ORDER TO MAXIMIZE THE CFP'S PARTICIPATION IN THE RETORNO PROCESS.

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INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10

L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 USIA-06

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FM AMEMBASSY QUITO

TO SECSTATE WASHDC PRIORITY 7576

INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L SECTION 2 OF 2 QUITO 1524

7 TRUE TO HIS WORD, ALMOST SIMULTANEOUS WITH THE ANNOUNCEMENT ON MARCH 10 OF THE RATIFICATION OF PANCHO

HUERTA'S CANDIDACY WAS A LEAK THAT THERE WOULD BE AN ANNOUNCEMENT DURING THE DAY THAT ROLDOS WOULD HEAD A COALITION TICKET WITH HURTADO AS HIS RUNNING MATE. A MASS RALLY IS SCHEDULED IN GUAYAQUIL ON MARCH 10 TO LAUNCH THE CAMPAIGN.

8. COMMENT: PANCHO HUERTA, WHO DISPLAYED CONSIDERABLE GRACE AND MATURITY UNDER GREAT PRESSURE, MAY HAVE EMERGED FROM THE CRISIS WITH SIGNIFICANTLY MORE PERSONAL PRESTIGE THAN BEFORE. WHETHER THIS CAN BE TRANSLATED INTO VOTES WILL DEPEND UPON HOW WELL THE OLDER LIBERALS CLOSE RANKS BEHIND HIM. HELPFUL TO THIS EXERCISE IS THE FACT THAT THE DELIBERATIONS WERE CONDUCTED IN GENTLEMANLY WAY AND THAT THERE APPEARS TO BE LITTLE RESIDUE OF BITTERNESS BETWEEN UNCLE AND NEPHEW.

9. A BATTLE IS NOW EMERGING BETWEEN HUERTA AND ROLDOS FOR A RUNOFF POSITION AGAINST THE FRONTRUNNING CENTER-RIGHT CANDIDATE SIXTO DURAN-BALLEN. ROLDOS SEEMS CONFIDENT THAT HE WILL BE ABLE TO WHIP PANCHO ON THE BASIS OF THE CFP'S SUPERIOR NUMBERS ON THE COAST. HUERTA BELIEVES THAT THE LIBERALS' NATIONAL ORGANIZATION  
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WILL FAVOR HIM. IT LOOKS TO US LIKE A TOSS UP AT THIS POINT WITH THE DEVELOPMENTS IN THE CAMPAIGN OVER THE NEXT FOUR MONTHS BEING DECISIVE.

10. BUCARAM'S FAILURE TO FOCUS ON IDEOLOGICAL OR PROGRAMMATIC ISSUES IN HIS CONDITIONS TO THE LIBERALS WAS REVEALING. ALTHOUGH HE HAS STRESSED THE NEED FOR WHOLESOME MANAGEMENT OF THE TAX SYSTEM AND A CONSUMER-ORIENTED BUSINESS POLICY, HE MADE NO DEMANDS CONCERNING A PLATFORM NOR DID HE REQUEST APPROPRIATE CABINET POSITIONS. INSTEAD, HE CONCENTRATED ON LOCAL POLITICS, PERSONAL VENDETTAS, AND SELF-PROMOTION. ASKED TO COMMENT ON THIS OBSERVATION BY POLCOUNS, ROLDOS DENIED THAT THIS INDICATED ANY FLAGGING IN THE PARTY'S SOCIO-ECONOMIC GOALS.  
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## Message Attributes

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